



ADDITIONAL AGENDA

BUDGET COMMITTEE

THE CORPORATION OF THE CITY OF MISSISSAUGA

**WEDNESDAY, OCTOBER 17, 2012 –
IMMEDIATELY FOLLOWING GENERAL COMMITTEE**

**COUNCIL CHAMBER
SECOND FLOOR, CIVIC CENTRE
300 CITY CENTRE DRIVE, MISSISSAUGA, ONTARIO, L5B 3C1
www.mississauga.ca**

UNFINISHED BUSINESS

UB1. MiWay Service Rationalization Proposal – 2012 (Wards 4, 6, 7, 9, 10, and 11)

Corporate Report dated August 8, 2012 from the Commissioner of Transportation and Works with respect to MiWay service rationalization proposal – 2012.

RECOMMENDATION

That the service rationalization measures prepared by staff and outlined in the report to Budget Committee dated August 8, 2012 from the Commissioner of Transportation and Works be approved.

- **The above Corporate Report was considered by the Budget Committee at its meeting on September 19, 2012 and resulted in BC-0016-2012 (attached for your reference) which was adopted by City Council on September 26, 2012.**

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Corporate Report

Clerk's Files

BUDGET COMMITTEE
SEP 19 2012

Originator's Files

BUDGET COMMITTEE
OCT 17 2012

DATE: August 8, 2012

TO: Chair and Members of Budget Committee
Meeting Date: September 19, 2012

FROM: Martin Powell, P.Eng.
Commissioner of Transportation and Works

SUBJECT: **MiWay Service Rationalization Proposal - 2012**
Wards 4, 6, 7, 9, 10, 11

RECOMMENDATION: That the service rationalization measures prepared by staff and outlined in the report to Budget Committee dated August 8, 2012 from the Commissioner of Transportation and Works be approved.

REPORT HIGHLIGHTS:

- This report summarizes the findings of a review of services provided by MiWay and identifies some services which are falling short of established targets for ridership and cost recovery. Adoption of the service adjustments identified in this report would result in cancellation of Weekend Service on Route 49-McDowell and Route 91-Hillcrest (Saturday, Sunday/Holiday).

BACKGROUND:

MiWay conducts an annual system wide review of its public transit system, where all routes are evaluated in terms of ridership volume, subsidy per boarding and frequency of service. Through this process, low performing routes are identified and further evaluated for possible service adjustments to improve efficiency through schedules or routing changes, aiming to attain higher cost-recovery ratios through ridership growth and/or service efficiencies. Where existing and forecasted ridership cannot support the cost of providing the service

beyond certain thresholds, service reductions and other measures are considered. Specific direction to staff to submit an updated review was provided during the Budget Committee meeting of September 21, 2011. This report deals with service rationalization measures to be adopted in that context.

COMMENTS:

Based on updated ridership data from March 2012 a review of system efficiencies was conducted which focused on three main indicators including: Daily Boardings, Boardings per Service Hour and Subsidy per Boarding. The following thresholds were set for each indicator:

- Daily Boardings – Less than 300 passengers
- Boardings per Service Hour – Less than 11
- Subsidy per Boarding – Greater than \$5.00 per passenger (system average is \$1.35)

Based on this criteria, the following routes and service times were identified:

Service	Route	Description	Wards	Frequency	Buses	Daily 2012 Boardings	Boardings per Service Hours	Service Hours/Day	Subsidy per Boarding	Forecasted Annual Savings
Saturday	49	McDowell	9, 10, 11	40 min	1	95	8.46	11.23	\$9.13	\$45,980
Saturday	91	Hillcrest	4, 6, 7	53 min	1	95	8.70	10.92	\$8.84	\$44,490
Sunday	49	McDowell	9, 10, 11	40 min	1	70	7.07	9.90	\$14.13	\$60,350
Sunday	91	Hillcrest	4, 6, 7	40 min	1	70	6.95	10.07	\$14.39	\$61,465

\$212,285

Given that the frequencies currently provided on these routes fall far short of acceptable standards and that the number of buses in use is at minimum levels, there are no mitigation alternatives available that would improve the efficiency of these services. Straight cancellation of these routes, on the service days indicated, remains the only alternative available to meet the desired budgetary savings.

The cancellation of Route 49-McDowell on weekends will require east/west passengers from northern Churchill Meadows to walk north to access Route 39-Britannia, south to Route 41-Thomas, or east to Route 45-Winston Churchill. Cancellation of this service will make access to transit service less convenient for the current passengers using Route 49-McDowell on weekends.

Weekend service on Route 91-Hillcrest was launched in 2011 to replace the service previously provided by Route 61-Mavis. To date, there has been very little passenger demand for the service provided by Route 91-Hillcrest service on weekends and holidays, with no prospects of further growth in ridership that would justify the continuation of weekend service on Route 91-Hillcrest. Cancellation of Route 91-Hillcrest would effectively isolate a portion of the service area along Mavis Rd. Current and future weekend customers will have longer walking distances to access public transit service on weekends. On the northern sector, Route 28-Confederation and Route 26-Burnhamthorpe, as well as Route 6-Credit Woodlands, will continue providing general coverage to the area. The Hillcrest-Clayhill community will need to walk south to access Route 1-Dundas.

STRATEGIC PLAN:

While cancellation of Route 49 and 91 on Saturday and Sunday/Holidays will assist in addressing current financial pressures, they will erode MiWay’s ability to make steady progress towards the long-term strategic pillar of becoming a transit oriented city and, as well, will impair the achievement of the strategic pillar aiming to connect the different communities in our city.

FINANCIAL IMPACT:

The service cancellations summarized above would generate reductions to operating costs but will likely also bring about a reduction in revenue.

Service Cancellation	Annualized Savings		Full Time Operators
	Hours	Budget	
Route 49 & 91 – Saturday and Sunday Cancellation	2,392	\$212,285	1

Due to the planning and scheduling deadlines, which are set well in advance of board period cycles, as well as the need to ensure optimum customer communication on these matters, the earliest possible date when any service adjustments adopted by Council could be implemented would be with the January 28, 2013 service changes. In order to realize full 2013 savings, approval no later than October 24, 2012 is required.

The estimated net savings for the calendar year 2013, should Council approve staff recommended adjustments, would reach \$194,595.00.

CONCLUSION:

MiWay has conducted a system wide review of route performance with a view towards eliminating or reducing service levels on poorly performing all-day transit routes. The results of this review revealed that some routes are operating below the set efficiency targets in ridership volume and/or subsidy per boarding.

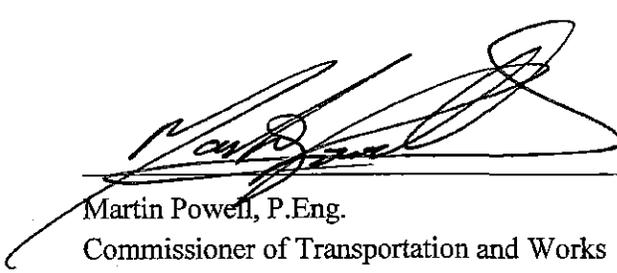
Cancellation of these services would result in net annual savings in operating costs valued at \$212,285.00 per year and reduce the full time equivalent staff complement by one operator.

Implementation of these recommendations would take place with the January 2013 service changes board period.

ATTACHMENTS:

Appendix 1: Route 49 – Weekend Analysis Summary

Appendix 2: Route 91 – Weekend Analysis Summary



Martin Powell, P.Eng.

Commissioner of Transportation and Works

*Prepared By: Gus Delfino, Manager of Service Development
MiWay*

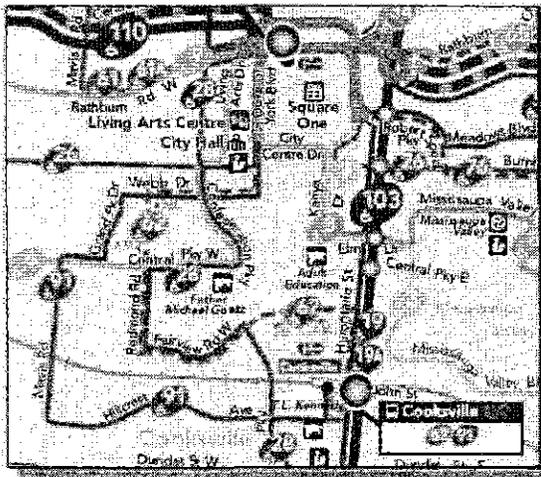
5. With these considerations in mind, the prospects of reaching acceptable demand levels (200+ customers/day) are simply not attainable, and straight cancellation is the only alternative at hand to achieve the expected cost-reduction goals. This measure would be applied to **Saturday, Sunday and Holiday** services.
6. Public transit service will continue to be available on weekends in the periphery of **Route 49** catchment area, through **Route 39** (Britannia), **Route 45** (Winston Churchill), and **Route 41** (Thomas). For some residents, this will require walking longer than desirable distances.

MIWay, Service Development
August 2012

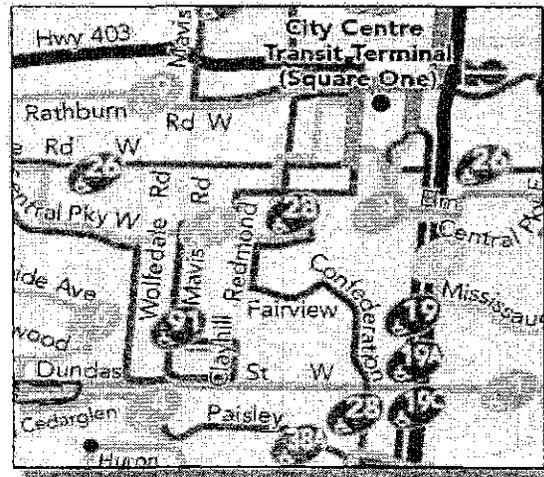
Appendix 2 – Route 91 – Hillcrest – Weekend Service

1. **Route 91 – Hillcrest** is a daily local circulator connecting the City Centre with the Hillcrest Ave. residential area and the Cooksville GO Station (weekdays). In its path, it serves residents along a portion of Webb Drive, also covering Mavis Rd between Central Parkway West and Hillcrest Ave.
2. **Weekday** service is mostly sustained by work-related (train and bus commuters) and student trips, in effect acting as a “shuttle” service between the community and the City Centre transit hubs (MiWay and GO Bus), as well as between the City Centre and the Cooksville GO Station. On **weekends**, and since there is not train service at Cooksville GO Station, the Route turns around at Dundas/Clayhill/Mavis.

Weekdays



Saturday/Sunday



3. **Route 91** was originally created as an offshoot of **Route 61** (Mavis) when it became evident that northern Mavis had become too strong of a ridership magnet not being properly balanced in the southern portion.
4. While weekday service maintains a healthy level of commuter demand, especially at peak (train) times, neither the GO Bus Hub (Station Gate) or the Cooksville GO Station are functional attractors on weekends. Any work-related trips attached to the Mavis Rd portion of the route are not present either, and neither the shopping-leisure opportunities at the City Centre or at the southern commercial hub (Dundas/Mavis) have resulted in proper ridership levels.

Table 1

Service Day	Route	Boarding/Day	Stops	Frequency	Buses	2012 Adjusted Earnings	Boardings per Service Hour	Service hours per Day	Annual Service Hours Reduction	Subsidy per Boarding	Forecasted Annual Savings
Saturday	91	811/week	A, B, T	55 min	1	95	8.70	10h55m	580 h	\$8.84	\$44,480
Sunday/Holiday	91	811/week	A, B, T	40 min	2	70	6.95	10h04m	615 h	\$14.35	\$81,965
			Wards 4, 5 and 7						1195 h		\$105,955

5. With ridership levels less than 100 customers/day, less than 10 boardings per service hour and very high subsidies per boarding, the provision of weekend service on this local circulator is being considered for cancellation.
6. Conscious that forecasted demand would be quite low, MiWay scheduled weekend service on Route 91 by interlining buses with other Routes serving the City Centre, in an attempt to minimize costs. A "fraction" of one bus is being deployed on this Route on either weekend day, offering 40 and 53 minutes frequencies. These service levels are – admittedly- not attractive enough to expect higher levels of ridership.
7. With these considerations in mind, the prospects of reaching acceptable demand levels (200+ customers/day on Saturday, 250+ on Sunday/Holidays) are simply not attainable, and straight cancellation is the only alternative at hand to achieve the expected cost-reduction goals. This measure would be applied to Saturday, Sunday and Holiday services.
8. Public transit service will continue to be available on weekends in the periphery of most of Route 91 catchment area, through Route 28 (Britannia), Route 6 (Credit Woodlands), Route 1 (Dundas) or Route 26 (Burnhamthorpe). For some residents, this will require walking longer than desirable distances.

MiWay, Service Development
August 2012

Julie Lavertu

From: Julie Lavertu
Sent: 2012/10/02 3:37 PM
To: Martin Powell
Cc: Jim Cirello; Gus Delfino; Patti Elliott-Spencer; Mary-Lou Johnston; Geoff Marinoff; Michael Masliwec
Subject: Budget Committee Report 3-2012 – MiWay Service Rationalization Proposal – 2012 (Wards 4, 6, 7, 9, 10, and 11)

October 2, 2012

To: Martin Powell, Commissioner, Transportation and Works

Re: Budget Committee Report 3-2012 – MiWay Service Rationalization Proposal – 2012 (Wards 4, 6, 7, 9, 10, and 11)

The Budget Committee at its meeting on September 19, 2012 considered a Corporate Report dated August 8, 2012 regarding the above noted matter and recommended the following:

BC-0016-2012

1. That the Corporate Report dated August 8, 2012 from the Commissioner of Transportation and Works, entitled "MiWay Service Rationalization Proposal – 2012," be received;
2. That Saturday and Sunday/Holiday MiWay service on Route 91-Hillcrest be cancelled, as outlined in the Corporate Report dated August 8, 2012 from the Commissioner of Transportation and Works entitled "MiWay Service Rationalization Proposal – 2012"; and
3. That the cancellation of Saturday and Sunday/Holiday MiWay service on Route 49-McDowell, as outlined in the Corporate Report dated August 8, 2012 from the Commissioner of Transportation and Works entitled "MiWay Service Rationalization Proposal – 2012," be deferred until after the City of Mississauga holds a public meeting with local residents and Pat Saito, Ward 9 Councillor, and Sue McFadden, Ward 10 Councillor.

Wards 4, 6, 7, 9, 10, and 11

This recommendation was adopted by City Council on September 26, 2012.

Regards,

Julie Lavertu, Legislative Coordinator

City of Mississauga

Legislative Services Division, Office of the City Clerk

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- cc. Jim Cirello, Acting Manager, Financial Planning and Policy
Gus Delfino, Manager, Service Development, MiWay
Patti Elliott-Spencer, Director, Finance
Mary-Lou Johnston, Manager, Business Development, MiWay
Geoff Marinoff, Director, MiWay
Michael Masliwec, Manager, Financial Services